

**REMARKS**

Claims 1 – 25 have been examined. Claims 1 – 4, 9 – 12, 17 – 23, and 25 stand rejected under 35 U.S.C. §103(a) as unpatentable over U.S. Pat. No. 5,771,291 issued to Newton *et al.* (hereinafter “Newton”) in view of U.S. Pat. No. 6,173,269 issued to Solokl *et al.* (hereinafter “Solokl”); Claims 5 – 8 stand rejected under 35 U.S.C. §103(a) as unpatentable over Newton and Solokl further in view of U.S. Pat. No. 5,371,797 issued to Bocinsky (hereinafter “Bocinsky”); and Claims 13<sup>1</sup> – 16 and 24 stand rejected under 35 U.S.C. §103(a) as unpatentable over Newton and Solokl further in view of U.S. Pat. No. 4,259,720 (hereinafter “Campbell”).

Independent Claims 1 and 17 have been amended to clarify that the claimed invention is applicable across a plurality of financial institutions. In particular, the claimed invention permits a customer holder of a portable storage medium such as a CD to execute debit transactions electronically (Application, p. 4, ll. 24 – 26). These debit transactions may be executed by accessing the customer’s financial account at the financial institution where it is maintained, and this capability is provided to multiple customers whose accounts may be maintained at different financial institutions. The amended claims now specifically recite that at least some of the financial accounts are maintained at different financial institutions and that each of the plurality of customers may access his account at those different institutions, in accordance with the claim limitations.

This is completely different from the disclosure of Solokl, which uses an architecture that relies fundamentally on the inclusion of a “service partner bank 18” (designated 18) and a “service financial institution” (designated 20) that act collectively as an intermediary to coordinate transactions. In order for the system described in Solokl to function, anyone who wishes to perform electronic transactions must have an account at the service partner bank, which provides the funds support for transactions that are effected (“Before a teen ... can enter into a transaction with a merchant using the invention, it is first *necessary* that an account be

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<sup>1</sup> Although Claim 13 stands rejected, the Office Action does not articulate a specific basis for the rejection. Based on the specific remarks made, Applicant believes the Examiner intended the detailed remarks identified as applicable to Claims 14 – 16 and 24 also to apply to Claim 13.

established with the service,” *id.*, Col. 4, ll. 12 – 15, emphasis added; *see also id.*, Col. 5, ll. 47 – 49). All transactions described in Solokl are thus ultimately supported by funds in the service partner bank. The teachings in Solokl even go so far as to suggest that all the funds for the customers be commingled in a single *account*, with database records being used to control access (*id.*, Col. 7, ll. 7 – 12). There is no mechanism disclosed by which an individual may access an account at a different financial institution through the ACH network. This is illustrated by the fact that even if someone already has an existing savings, checking, or similar account at another financial institution, it is necessary that deposits be made to the account at the service partner bank either directly or from those other accounts (*id.*, Col. 4, ll. 30 – 34).

The narrow scope of Solokl as providing ways of supporting transactions with a *single, specific* service partner bank is further illustrated with the description of the virtual automatic teller machine described in connection with Fig. 2 and cited in the Office Action to support the rejections:

FIG. 2 is a flow diagram showing the operation of a virtual automatic teller machine (VATM) to execute electronic commercial transactions with teens according to the invention. The VATM provides an account that appears to be a standard bank account for purposes of a transaction, such that an ATM-type exchange may occur. When a teen is logged into his service account he may access the VATM or do other activities, such as read about special offers, check on bonuses, or reconfigure his profile. At the completion of such activities, the teen returns to the user page of the service.

If the teen is accessing his VATM account, he first enters his pass phrase which is verified by checking the user database. The pass phrase is converted to a standard four digit PIN and the service initiates contact with the service financial institution via the ACH network. If contact cannot be initiated, the ATM is exited. Otherwise, the ATM screen is displayed to the teen and the teen may proceed with a transaction, such as balance inquiry or making a purchase. (*Id.*, Col. 7, l. 60 – Col. 8, l. 12, emphasis added, reference numbers omitted).

As described, the virtual automatic-teller functionality is provided *only* with respect to the service financial institution, which is supported specifically by the service partner bank. This functionality does *not* extend generally to access other financial institutions that may be connected with the ACH network.

In addition, there is also no motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to combine Solokl with Newton in the manner suggested by the Office Action. *See* MPEP 2143. The Office Action concedes that there is no disclosure in Solokl of the claim limitations requiring the use of a

computer-readable storage medium to access financial accounts, including by decrypting information retrieved from the storage medium. The reference that is relied on instead for these limitations, i.e. Newton, teaches the use of “ultra long identification keys” in providing access to remote computers, and suggests that these long keys may be stored on a CD-ROM (Newton, Col. 2, ll. 35 – 39). The Office Action would like to adapt the authentication mechanism disclosed in Newton to the system of Solokl, offering as the only motivation, “to improve network security by allowing users to enter longer, and hence more secure, identification codes and providing an efficient means for entering the code” (Office Action, p. 4).

This suggestion, however, is not only absent from Solokl, but is also directly contrary to the teachings of Solokl. In particular, Solokl teaches that the actual PIN used to access the financial account be withheld from the user and that a lookup table be used to match a pass phrase to the PIN, indicating that this is used to enhance security (Solokl, Col. 7, l. 54 – 59). While the Office Action would like to do away with such a lookup arrangement and provide the user with the PIN, perhaps in encrypted form, this is directly contrary to the teachings of Solokl that the PIN be withheld to enhance security. Moreover, the motivation provided in the Office Action is unconvincing since Solokl already contemplates the use of a pass phrase that may be used and may be significantly longer than the PIN derived from the lookup table. The use of a pass phrase not only has the advantage that it may be as long as the ultra long identification keys discussed in Newton, but is easily remembered because of its mnemonic character.

For at least these reasons, amended Claims 1 and 17 are believed to be patentable, and the independent claims are also believed to be patentable by virtue of their dependence from patentable claims.

### CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

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PATENT

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,

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